

Title of Investigation:
Operation Sheriff of Nottingham

Investigation Number:
772010-16-0005



Report Number:
83

SUMMARY OF EVENT

Undercover purchase of approximately (10) stolen Frigidaire appliances from FERGUSON.

NARRATIVE:

- UNDERCOVER CONTACT:** On October 27, 2016, at approximately 13:00 hours, ATF Special Agent (S/A) Christopher J. Labno and Chicago Police Department (CPD) Officer Humberto Gutierrez, acting in an undercover capacity, met with Terry FERGUSON, white male, DOB: 05/26/1964, FBI#: 925984AA1, SID#:IL23409850 and purchased approximately (10) pieces of stolen Frigidaire appliances for \$1000.00 in United States Currency (USC).
- S/A Labno should note that this undercover transaction was previously arranged through recorded telephone calls and text messages between S/A Labno and FERGUSON which are documented in a separate Report of Investigation (ROI). Prior to this undercover contact, S/A Labno was equipped with a disguised audio and video recording devices as well as an electronic transmitter. This report is based upon Agents' observations as well as a review of the electronic surveillance evidence associated with this transaction.
- On this same date, at approximately 13:00 hours, Agents drove northbound on Roberts Road at 103rd Street and pulled into the Speedway gas station located at 10300 South Roberts Rd, Palos Hills, IL. Agents observed FERGUSON sitting in his grey Ford F150 bearing Illinois license plate 1423262B, parked in the gas station parking lot. FERGUSON motioned for Agents to follow him and Agents followed FERGUSON in their undercover vehicle as he drove southbound on Roberts Road to 106th Street where FERGUSON turned westbound and then south into the north / south alley running between Roberts Road and 80th Court. Agents observed FERGUSON pull over in the alley and indicate that they should park. S/A Labno observed FERGUSON walk to a detached garage of a red frame residence now identified as 10603 S. 80th Court, Palos Hills, Illinois.
- At approximately 13:03 hours, S/A Labno exited his undercover vehicle and walked to FERGUSON near the garage. S/A Labno asked FERGUSON if he owned this house as well and FERGUSON replied, "Yeah, renting it out." At this point a white male in his late twenties or early thirties exited from the rear of the above

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described house and ask FERGUSON and S/A Labno, "You guys gotta get in there? You want me to move the truck?" FERGUSON advised this man to move his truck over slightly and told S/A Labno to have Officer Gutierrez back the box truck toward the garage. FERGUSON advised that they could not drive into the garage as "It's full though." S/A Labno assisted Officer Gutierrez as he backed the box truck to the overhead door of the garage. At approximately 13:05 hours, S/A Labno observed FERGUSON open the side man door of the garage and S/A Labno observed that the entire two car garage was stacked from floor to ceiling with boxes of new Frigidaire appliances. FERGUSON instructed S/A Labno to Google the model numbers on the labels on the outside of the boxes so that S/A Labno would know what kind of appliance was inside the box.

5. Agents then used their cellular telephones to search the model numbers on the boxes and found many to contain electric Frigidaire ranges, both black and white. S/A Labno advised FERGUSON that he was interested in these models but also wanted stainless steel models. FERGUSON and Agents then searched the garage for stainless steel models. FERGUSON then showed Agents several stainless steel range hoods. FERGUSON stated, "I got a bunch of range hoods. These range hoods are bad ass. Did you see them? Three speeds, this one's \$680.00 in the store." S/A Labno asked FERGUSON "How much?" and FERGUSON replied, "A hundred bucks. Everything is a hundred bucks." At approximately 13:13 hours, S/A Labno observed the above described white male exit the rear of the residence and S/A Labno asked FERGUSON if "his guy" would help the men move the appliances. FERGUSON replied, "Nah, he's a renter. I don't want to ask him. Then he'll want money off the rent."
6. At this point, Agents found several other appliances in the garage in addition to the electric ranges and range hoods. Specifically, S/A Labno found a new in box washer and dryer combination. FERGUSON advised, "That's a washer and dryer—stackable; that's what I wanted to get to. I'm sorry, I know I got them (stainless steel electric ranges). I thought they were here." S/A Labno FERGUSON how many garages did he have packed with appliances like this one and FERGUSON replied "six." FERGUSON continued, "You know now I have a warehouse right down the street—a three thousand square foot warehouse. It's got an eighteen foot overhead door, two office fronts. I'm looking for a partner." FERGUSON added, "You know what I'm gonna do to start paying the rent? I'm gonna start holding Texas Hold 'Em tournaments at a high level on Friday and Saturday nights...like you buy in for five hundred dollars for the thing, then you have cash games going on." FERGUSON suggested that he would begin doing this the following week, explaining that he needed to pay the \$2,000.00 a month rent. Agents continued to load electronic ranges and range hoods into the undercover truck during these ongoing conversations.
7. The conversations then turned to the North Face merchandise, with FERGUSON telling S/A Labno "those book bags moved good!" At this point, Agents uncovered and Electrolux stainless steel double oven new in the box. FERGUSON told Agents, "Sticker price on that is \$3,800.00. Out of all the double ovens I got one left—look at it, Electrolux." S/A Labno pointed to the stackable washer and dryer and asked "How much is one of these?" FERGUSON responded, "These are nine hundred bucks, but they're top of the line—Frigidaire stackable washer and dryer."
8. The conversation then turned to cigarettes, with FERGUSON telling S/A Labno "I need some stuff we could make some money on." S/A Labno told FERGUSON that he was going to start selling "squares" (cigarettes) again. FERGUSON responded, "I'm fine with them. I actually got a guy who gives top dollar for them." FERGUSON and S/A Labno then discussed Newport and Marlboro cigarettes. FERGUSON then told S/A Labno, "I'll tell you what we'll do. We'll split the profit on everything. I'll tell you what he pays—forty-five dollars a carton. So, I'll bring you to him, he's got cash all the time. He'll go every two weeks." S/A Labno then asked FERGUSON if he could trade the cigarettes for cocaine. Specifically, S/A Labno said, "Can I do the other with you—just give you the cash." FERGUSON responded, "Yeah, 'cause he'll like that too."

9. At approximately 13:25 hours, Officer Gutierrez and S/A Labno counted up the appliances they had loaded into the undercover box truck and found there to be (8) stolen electric ranges and (2) stolen range hoods. S/A Labno and FERGUSON again briefly discussed the poker games FERGUSON planned on hosting as well as the Chicago Cubs play-off tickets which FERGUSON was selling. S/A Labno then asked FERGUSON why he (FERGUSON) didn't just move all of the stolen appliances from the different garages to his warehouse. FERGUSON responded, "That's what I'm doing. I'm slowly emptying all my garages so I got all six garages open." S/A Labno asked how much FERGUSON charged in rent for the above described residence. FERGUSON replied, "This is a stack (\$1,000.00) it's three bedrooms. I paid sixty (\$60,000.00) but it's nice inside." S/A Labno and FERGUSON then briefly discussed his cigarette buyer and S/A Labno asked FERGUSON if he (FERGUSON) could do a better price for him on the cocaine. Specifically, S/A Labno stated, "Let me know if you can do a better price on the other stuff." FERGUSON responded, "Whenever you're ready just let me know." At this point, S/A Labno provided FERGUSON with \$1000.00 In Agent Cashier Funds provided by the Illinois State Police in the form of USC. FERGUSON then advised, "I make two or three grand off the back of my truck. If you want to talk to me you gotta buy something. 'Okay, now what about a house. What about an apartment?' Especially with Christmas." FERGUSON then told S/A Labno, "I could use more book bags." S/A Labno asked FERGUSON what he wound up selling the back-packs for and FERGUSON replied "Twenty-five a piece."
10. At approximately 13:32 hours, Agents said goodbye to FERGUSON and left the area in their undercover vehicles.
11. S/A Labno should note that S/As Labno and Burney, along with CPD Officer Chris Stenzel and Illinois State Police (ISP) S/A Christopher Linares photographed and inventoried the above described appliances at the Lockport, Illinois ISP Facility. S/A Labno should further note that these (10) appliances were all identified as having been part of a shipment of Frigidaire appliances stolen from Bolingbrook, IL on April 10, 2016 and documented in Bolingbrook Police Department Report #LB2160410002072.
12. Subsequent to this undercover contact, S/A Labno had an opportunity to review an Illinois Secretary of State photograph of Christian D. VERSCHOORE. S/A Labno was then able to identify the white male FERGUSON told S/A Labno was his tenant at 10603 S. 8th Court as Christian D. VERSCHOORE. S/A Labno observed a late model red Ford Explorer in the driveway of the residence, bearing Illinois plate L924319, which is registered to a Christian D. VERSCHOORE at 8808 W. 76th Place, APT 1E, Justice, IL 60458.
13. This is only a summary of this undercover contact, and reference should be made to the electronic surveillance evidence inventoried as evidence pursuant to this undercover contact for more information.